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Subject: RE: FCA Clips 1/12/17

Below: AP, Bloomberg (updated), Reuters, Washington Post, Reuters (updated), Financial Times, USA Today, CNBC, AP, AP

AP

http://bigstory.ap.org/article/30c07ba9ae5a47c3ab09de68ccbd3bf/ap-sources-us-allege-fiat-chrysler-cheated-emissions?utm_campaign=SocialFlow&utm_source=Twitter&utm_medium=APBusiness

US gov't accuses Fiat Chrysler of cheating on emissions

By Tom Krisher and Michael Biesecker 1/12/17 11:15 AM EST

DETROIT (AP) — The U.S. government is accusing Fiat Chrysler of failing to disclose software in some of its pickups and SUVs with diesel engines that allows them to emit more pollution than allowed under the Clean Air Act.

The Environmental Protection Agency said in a statement Thursday that it issued a "notice of violation" to the company that covers about 104,000 vehicles including the 2014 through 2016 Jeep Grand Cherokee and Ram pickups, all with 3-liter diesel engines. The California Air Resources Board took similar action.

The EPA scheduled a news conference Thursday to explain details of the case.

"Failing to disclose software that affects emissions in a vehicle's engine is a serious violation of the law, which can result in harmful pollution in the air we breathe," said Cynthia Giles, EPA assistant administrator for enforcement and compliance.

The agency said it will continue to investigate the "nature and impact" of the devices. The agency said FCA may be liable for civil penalties for the alleged violations of the Clean Air Act. The EPA is investigating whether the auxiliary emission control devices constitute "defeat devices," which are illegal because they turn off pollution controls.

Fiat Chrysler's shares fell more than 16 percent after the news was announced to \$9.29.

The announcement comes one day after Fiat rival Volkswagen pleaded guilty in federal court to criminal charges related to widespread cheating involving emissions tests with its "Clean Diesel" line of vehicles. Six high-ranking VW executives have been charged in the scandal. VW agreed to pay a record \$4.3 billion penalty for cheating on emissions tests.

Bloomberg (updated)

https://www.bloomberg.com/news/articles/2017-01-12/fiat-chrysler-plunges-on-report-epa-to-allege-emissions-cheating?cmpid=socialflow-twitter-business&utm_content=business&utm_campaign=socialflow-organic&utm_source=twitter&utm_medium=social

Fiat Chrysler Plunges on Report EPA to Allege Emissions Cheating

By Jamie Butters and Ryan Beene 1/12/17 10:39 AM EST

Fiat Chrysler Automobiles NV plunged the most intraday on record after Reuters reported that the U.S. government will accuse the company of using software that allowed excess diesel emissions in about 100,000 vehicles.

The agency issued a notice of violation to Fiat Chrysler for alleged violations of the Clean Air Act for installing and failing to disclose the software in 2014, 2015 and 2016 model year Jeep Grand Cherokees and Ram 1500 trucks with 3-liter diesel engines sold in the U.S.

Representatives for Fiat Chrysler didn't immediately respond to requests for comment.

Fiat Chrysler fell as much as 15 percent, the biggest intraday drop since they began trading in October 2014. The shares declined 14 percent to \$9.49 as of 10:49 a.m. in New York trading.

Reuters

<http://www.reuters.com/article/us-fiatchrysler-emissions-stocks-idUSKBN14W2BI?mod=related&channelName=domesticNews>

Fiat Chrysler shares tank on report of pending EPA action on emissions

By Agnieszka Flak 1/12/17 11:00AM

Fiat Chrysler shares slumped on Thursday after a Reuters report said the U.S. Environmental Protection Agency will accuse the group of using software that allowed excess diesel emissions in just over 100,000 U.S. trucks and SUVs sold since 2014.

The Milan-listed shares in the Italian car maker erased more than one tenth of their value in just 20 minutes of trading after the news broke. The stock was automatically suspended several times because of the heavy losses and was last down 13 percent.

The EPA will announce the findings at an 11 a.m. conference call, Reuters said in the source-based.

Fiat Chrysler declined to comment.

Washington Post

https://www.washingtonpost.com/news/innovations/wp/2017/01/12/epa-fiat-chrysler-used-software-to-cheat-on-emissions-tests/?utm_term=.f4c13a7dcac2

EPA: Fiat Chrysler used software to cheat on emissions tests

By Steven Overly 1/12/17 11:02 AM EST

The Environmental Protection Agency accused Fiat Chrysler Thursday of using software that enabled some of its diesel trucks to cheat on emissions tests.

The news caused Fiat Chrysler's stock price to drop more than 13 percent in trading Thursday morning. Fiat Chrysler did not immediately respond to requests for comment.

The vehicles involved were the 2014 to 2016 model year Dodge Ram 1500 pickup trucks and Jeep Grand Cherokees with 3.0-liter diesel engines. The allegations affect roughly 104,000 vehicles, EPA officials said.

The agency's move is similar to the initial steps it took at the start of the Volkswagen emissions scandal, which eventually lead to about \$20 billion in fines and the indictment of seven company executives over the course of the last year and a half. Federal prosecutors announced a settlement with German automaker Volkswagen over its own emissions scandal Wednesday .

Reuters

<http://www.reuters.com/article/us-fiatchrysler-emissions-idUSKBN14W29S?il=0>

Exclusive: EPA to accuse Fiat Chrysler of excess diesel emissions – sources

By David Shepardson 1/12/17 11:00 AM

The U.S. Environmental Protection Agency on Thursday will accuse Fiat Chrysler Automobiles NV of using software that allowed excess diesel emissions in just over 100,000 U.S. trucks and SUVs sold since 2014, two sources briefed on the matter said.

The EPA told the automaker it believes its auxiliary emissions control software allowed vehicles to generate excess pollution in violation of the law. Fiat Chrysler declined to comment.

A person briefed on the matter said Fiat Chrysler does not agree with the EPA's assessment. An automaker can use an auxiliary emissions control device in limited circumstances to protect the engine from damage, but it must be declared to regulators.

Fiat Chrysler's U.S.-listed shares and Milan-listed shares were each down 14 percent on the news.

The EPA will announce the findings at an 11 a.m. ET conference call. It comes amid rising scrutiny by EPA of automaker emissions after Volkswagen AG admitted to cheating diesel emissions tests in 580,000 U.S. vehicles.

The EPA has for months declined to certify Fiat Chrysler's 2017 diesel vehicles for sale in the United States, but the automaker has continued to sell 2016 diesel models.

In September 2015, EPA said it would review all U.S. diesel vehicles following an admission from Volkswagen that it installed software in cars allowing them to emit up to 40 times legally permissible level of pollution.

On Wednesday, VW agreed to pay \$4.3 billion in criminal and civil fines and plead guilty to three felonies for misleading regulators and selling polluting vehicles.

The EPA has extensively investigated the vehicles and Fiat Chrysler has turned over significant documents as part of the probe, two people briefed on the matter said.

Fiat Chrysler could face fines of up to \$37,500 per vehicle if it is proven that it violated emissions rules.

The probe covers Fiat Chrysler diesel trucks and SUVs from the 2014-2016 model years.

Bloomberg

https://www.bloomberg.com/news/articles/2017-01-12/fiat-chrysler-plunges-on-report-epa-to-allege-emissions-cheating?cmpid=socialflow-twitter-business&utm_content=business&utm_campaign=socialflow-organic&utm_source=twitter&utm_medium=social

Fiat Chrysler Plunges on Report EPA to Allege Emissions Cheating

By Jamie Butters and Ryan Beene 1/12/17 10:39 AM EST

Fiat Chrysler Automobiles NV plunged the most intraday on record after Reuters reported that the U.S. government will accuse the company of using software that allowed excess diesel emissions in about 100,000 vehicles.

The Environmental Protection Agency has scheduled a call with reporters at 11 a.m. in Washington to “take questions on a recent development regarding a major automaker.” Representatives for Fiat Chrysler didn’t immediately respond to requests for comment.

Fiat Chrysler fell as much as 15 percent, the biggest intraday drop since they began trading in October 2014. The shares declined 14 percent to \$9.49 as of 10:49 a.m. in New York trading.

Financial Times

<https://www.ft.com/content/3bf61aa0-dcb5-3058-8a62-1810471b0181>

Fiat Chrysler shares plunge as EPA said to ready diesel-emissions suit

By Jessica Dye 1/12/17 10:48 AM EST

Fiat Chrysler shares tumbled more than 13 per cent on Thursday following a report that US environmental regulators are preparing a lawsuit accusing it of using software to evade diesel-emissions testing.

Reuters reported that the imminent lawsuit from the US Environmental Protection Agency concerned software allegedly installed in approximately 100,000 vehicles. FCA was not immediately available for comment, while the EPA said it would make an announcement at 11 am today regarding a "major automaker".

The report comes just a day after fellow carmaker Volkswagen agreed to pay \$4.3bn and plead guilty to resolve US agencies' civil and criminal charges over allegations that it installed software on thousands of "clean diesel" vehicles to dupe emissions testing.

USA Today

<http://www.usatoday.com/story/money/cars/2017/01/12/fiat-chrysler-automobiles-epa-environmental-protection-agency/96485486/>

Reports: EPA to allege Fiat Chrysler cheated emissions laws like Volkswagen

By Nathan Bomey 1/12/17 10:46 AM EST

U.S. regulators plan to accuse Fiat Chrysler Automobiles of violating emissions standards in diesel vehicles, according to multiple reports, in an alleged scheme that bears similarity to the scandal that engulfed Volkswagen Group and cost the German automaker billions of dollars.

The Environmental Protection Agency is expected to say Thursday that Fiat Chrysler installed software on about 100,000 vehicles to cheat emissions standards, according to a Reuters report Thursday morning. The Associated Press also reported the EPA would accuse the Italian-American automaker of flouting pollution regulations.

Fiat Chrysler shares traded in New York plunged 10.4% at 10:37 a.m. to \$9.94.

The EPA has the authority to fine automakers up to \$37,500 per vehicle for violations of the Clean Air Act, meaning the scandal could cost Fiat Chrysler about \$3.75 billion in civil penalties.

Volkswagen admitted to cheating emissions laws on more than half a million vehicles and has since agreed to criminal and civil settlements totaling nearly \$22 billion. Six VW executives were charged Wednesday with allegedly weaving a conspiracy to dodge regulations while the company pled guilty to similar charges on a corporate level.

Spokespeople for the EPA and Fiat Chrysler did not immediately respond to requests seeking comment.

But the EPA said in a media advisory that it would "make an announcement regarding a major automaker" in a call with reporters at 11 a.m.

CNBC

<http://www.cnbc.com/2017/01/12/epa-to-accuse-fiat-chrysler-of-using-software-that-allowed-excess-diesel-emissions-in-about-100k-vehicles.html>

Fiat Chrysler shares plunge 15% after EPA reportedly to accuse automaker of using deceptive software

By Berkeley Lovelace Jr. 1/12/17

The United States Environmental Protection Agency will accuse Fiat Chrysler of using software that allowed excess diesel emissions in about 100,000 vehicles, according to Reuters.

US-listed shares of Fiat Chrysler plunged more than 15 percent Thursday after the report. CNBC has reached out to the EPA for comment.

The accusation is reportedly over U.S. trucks and SUVs sold since 2014, according to Reuters sources briefed on the matter. The sources said the EPA told the automaker it believes its undeclared emissions control software allowed vehicles to generate excess pollution in violation of the law.

The report comes after German automaker Volkswagen admitted to criminal offences in rigging U.S. emissions tests and agreed to pay \$4.3 billion in civil and criminal fines in a settlement with the U.S. Justice Department.

The automaker said it will contest the EPA's allegations and believes the vehicles meet the agency's standards, sources familiar with the automaker's response told CNBC.

EPA officials will hold a press conference on Thursday at 11 a.m. ET regarding the automaker.

AP

http://hosted.ap.org/dynamic/stories/U/US_FIAT_CHRYSLER_DIESEL_EMISSIONS?SITE=AP&SECTION=HOME&TEMPLATE=DEFAULT

AP Sources: US To Allege Fiat Chrysler Cheated on Emissions

1/12/17 10:35 AM

DETROIT (AP) -- Two people briefed on the matter say that the U.S. government is accusing Fiat Chrysler of violating the Clean Air Act on some of its diesel engines.

The Environmental Protection Agency has scheduled a news conference for Thursday morning to release details of the matter. The people briefed on the matter didn't want to be identified because the formal announcement hasn't been made.

The move comes one day after federal prosecutors announced that Volkswagen would plead guilty to criminal charges and pay a record \$4.3 billion penalty for cheating on emissions tests.

AP

http://hosted.ap.org/dynamic/stories/U/US_APNEWSALERT?SITE=AP&SECTION=HOME&TEMPLATE=DEFAULT

AP Sources: US to Accuse Fiat Chrysler of Violating Pollution Laws with Diesel Vehicles

1/12/17 10:30 AM

DETROIT (AP) -- AP Sources: US to accuse Fiat Chrysler of violating pollution laws with diesel vehicles.

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